

EXHIBIT L

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UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

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UNITED STATES OF AMERICA, :

COMMONWEALTH OF :

MASSACHUSETTS, DISTRICT OF :

COLUMBIA and STATE OF NEW :

YORK, :

Plaintiffs, : Case No.

v. : 1:23-cv-10511

JETBLUE AIRWAYS CORPORATION :

and SPIRIT AIRLINES, INC., :

Defendants. :

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HIGHLY CONFIDENTIAL

Washington, D.C.

Wednesday, September 6, 2023

Videotaped deposition of NICHOLAS HILL,

Ph.D., a witness herein, called for examination by

counsel for Plaintiffs in the above-entitled matter,

pursuant to notice, the witness being duly sworn by

MARY GRACE CASTLEBERRY, a Notary Public in and for

1 Q. Would you agree with me that there's a
2 difference between how much airlines enter new routes
3 in the aggregate as you presented in these figures as
4 compared to the likelihood of entry on any specific
5 particular route?

6 A. Yeah. I mean, this table is looking more
7 at sort of the airline or the carrier level, what did
8 they do, and then separately in the report I look at
9 the probability of entry in the ordinary course.

10 Q. So where in your report would you point to
11 as indicating how likely it is that the
12 divestiture -- excuse me, that any airline will enter
13 one of the particular routes or markets at issue in
14 this transaction?

15 A. So I take all of -- so starting with the
16 exhibit that we were discussing earlier in the
17 supplemental piece where we just -- forget arguing
18 about the 51. That's not the purpose. But just to
19 say, of the 51 complaint routes, six have become
20 noncomplaint routes and two new ones have become
21 complaint routes just in the, I guess, six months of
22 data since -- after Professor Gowrisankaran's

1 analysis. So that's one piece. Just I feel like
2 that shows the dynamic nature here of how people come
3 and go. I feel figures 97 and 98 here are showing
4 that if we look at the individual carriers, we see a
5 pattern of entry and exit being commonplace.

6 And then the other two -- well, the other
7 pieces of evidence we use, if we look at figure 99,
8 we use Dr. Chipty's model to predict the probability
9 of ultra low cost carrier entry and then there's
10 qualitative evidence in figure 10.2 that pertains to
11 the likelihood of backfill by ULCCs. Figure 100 also
12 goes to this. And then figure 101 -- we can skip
13 over figure 101. And then -- something I'm looking
14 for. Oh, and then figure 105 goes to the question of
15 whether the -- if there were significant price
16 increases on the routes, how would that change the
17 profitability.

18 So I can't tell you here is the exact
19 probability of entry on those routes. And that's one
20 of the challenges in saying how much harm there may
21 or may not be on the 15 routes. But the bigger
22 picture here is I think this evidence is convincing